

**Status: Ready To File**

**Western Massachusetts Electric Company  
Docket No. DTE 04-106**

**Information Request DTE-03  
Dated: 12/17/2004  
Q- DTE3-002  
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**Witness: Richard A. Soderman  
Request from: Department of Telecommunications and Energy**

**Question:**

Refer to the bulk response to Information Request DTE 1-25, at 65-66. Please provide an overview of the payment incentive pilot program that is described here. Were the results of this pilot program sufficient to warrant the expansion of the pilot program from 100 to 600 customers? Please discuss. Pursuant to the review that WMECo was to perform at the end of 1999, did the Company elect to continue this pilot program?

**Response:**

The NUSstart pilot program, implemented in 1999, allowed low- and fixed-income customers to maintain year-round electric service, while reducing or eliminating their past-due balance, by paying their current bill each month. The pilot was tracked and adjustments made as warranted. The following were significant adjustments:

- Customers are required to participate in WMECO's Equal Payment Plan (budget billing);
- Customers receive counselling on financial management; and
- Customers receive weatherization assistance.

The Company believes that these factors make the current program more attractive to prospective participants than previously was the case.

WMECO performed evaluations of the pilot in 1999 and again in 2001. During that time, the Company's affiliate, The Connecticut Light & Power Company, was implementing the program in Connecticut. WMECO chose to continue to observe CL&P's progress rather than initiate an expansion of its NUSstart program.

Article VIII of the Settlement Agreement was arrived at through negotiation of the settling parties, including the Low-Income Energy Affordability Network. Article VIII, as amended on December 17, 2004, provides additional detail on the intended coverage of the expanded NUSstart program. WMECO believes the expansion of the NUSstart program is a significant benefit provided to customers under the Settlement Agreement.